

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Call to Order:** By **CHAIRMAN JOHN WITT**, on February 7, 2001 at 8.30 A.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. John Witt, Chairman (R)  
Sen. Ken Miller, Vice Chairman (R)  
Rep. Rosalie (Rosie) Buzzas (D)  
Sen. Greg Jergeson (D)  
Sen. Royal Johnson (R)  
Rep. Art Peterson (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Mark Bruno, OBPP  
Amy Carlson, OBPP  
Pam Joehler, Legislative Branch  
Cayenna Johnson, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: None  
Executive Action: Office of the Commissioner of  
Higher Education

***{Tape : 1; Side : A; Approx. Time Counter : 0}***

#### **EXECUTIVE ACTION OF THE OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION**

##### **Program 01 - Administration Program**

Note: **REP. BUZZAS** was absent during the first part of the meeting.

**Ms. Pam Joehler, Legislative Branch Representative**, spoke to the budget requests for the Office of the Commissioner of Higher Education. She noted the additional vacancy savings taken out by the Martz Budget and the elimination of the new proposal of DP 107-Change in Accounting for Indirect Costs. She mentioned people were available to answer questions for the committee.

**CHAIRMAN WITT** stated the procedure for the day.

**Motion/Vote:** SEN. JOHNSON moved that GLOBAL BASE ADJUSTMENTS AND MARTZ VACANCY SAVINGS COMMISSIONER OF HIGHER EDUCATION ADMINISTRATION PROGRAM BE ADOPTED. Motion passed unanimously.

**Motion/Vote:** SEN. JOHNSON moved that DP 101-ADMINISTRATION - PC REPLACEMENT BE ADOPTED. Motion carried unanimously.

**Motion/Vote:** REP. PETERSON moved that DP 103 - RENT PAYMENTS PER LEASE SCHEDULE BE ADOPTED. Motion carried unanimously.

**Motion/Vote:** SEN. JOHNSON moved that DP 105 - ADMINISTRATION - SERVER MAINTENANCE CONTRACT BE ADOPTED. Motion carried unanimously.

**Motion/Vote:** REP. PETERSON moved that DP 109 - SPENDING PERSONAL SERVICES MONEY IN OPERATIONS BE ADOPTED. Motion carried unanimously.

*{Tape : 1; Side : A; Approx. Time Counter : 80}*

**Motion:** SEN. JERGESON moved that NEW PROPOSAL DP 107-CHANGE IN ACCOUNTING FOR INDIRECT COSTS BE ADOPTED.

**Discussion:** Mr. Mark Bruno, Office of Budgeting and Program Planning (OBPP), explained that it was in Governor Racicot's budget and OBPP saw it as an expenditure to the general fund, but they see other options for OCHE for indirect costs. Mr. Rod Sundsted, Associate Commissioner of Fiscal Affairs, Office of the Commissioner of Higher Education (OCHE), explained this proposal was a result of a Legislative Audit Recommendation and that OCHE had other options if it was not passed.

**Motion/Vote:** SEN. JERGESON moved that DP 107-CHANGE IN ACCOUNTING FOR INDIRECT COSTS BE ADOPTED. Motion failed 3-2 with Jergeson and Johnson voting aye.

*{Tape : 1; Side : A; Approx. Time Counter : 120}*

**Program 02 - Student Assistance Program**

Note: **REP. BUZZAS** arrived at the meeting at this time.

**Ms. Joehler** explained the present law adjustment table and new proposal table contained in the budget for this program. Two of the new proposals are eliminated from Governor Martz's budget and are marked out. The remainder of the narrative breaks down the program into three parts to let the committee see the program proposed budget, the present law adjustments, and the new proposals as included in the executive budget.

**REP. BUZZAS** asked if the WICHE slots are included in this program. **Ms. Joehler** explained that DP 201-Increase State Supported Financial included the speech pathologists and dental slot WICHE programs. **SEN. JOHNSON** asked how the legislature would show their intent to keep the WICHE programs in DP 201-Lump Sum. **Commissioner Crofts** explained that they would hear about WICHE in the next budget and could report the final arrangements in regard to the speech pathologists and the dental slots. There was additional discussion on this program. He stated there is a separate bill going through the House in regard to establishing the dental hygiene program at MSU College of Vo-Tech in Great Falls.

*{Tape : 1; Side : A; Approx. Time Counter : 300}*

**Motion/Vote:** **SEN. JOHNSON** moved that **PROGRAM 02-STUDENT ASSISTANCE PROGRAM BASE BUDGET AND GLOBAL ADJUSTMENTS BE ADOPTED. Motion carried unanimously.**

**Ms. Joehler** stated there are no vacancy savings in this program due to the fact that it is predominately grants.

**Motion/Vote:** **SEN. JOHNSON** moved that **DP 203 - WICHE/WWAMI/MIN. DENTISTRY INCREASED COSTS, DP 204 - STUDENTS AID INC. DUE TO ENROLL GROWTH AND MATCH WITH ADDITIONAL \$66,660 FEDERAL SPENDING AUTHORITY PER YEAR FOR A TOTAL OF \$80,660 EACH YEAR OF THE BIENNIUM, DP 208 - RURAL PHYSICIAN ADJUSTMENT BE ADOPTED. Motion carried unanimously.**

**Ms. Joehler** reminded the committee that on DP 204 OCHE had recently notified the executive budget office and the LFD office they needed additional federal spending authority for \$66,660 each year of the biennium as an additional grant has become available.

*{Tape : 1; Side : A; Approx. Time Counter : 420}*

**Motion:** REP. PETERSON moved that DP 201 - INCREASE STATE SUPPORTED FINANCIAL BE ELIMINATED.

**Discussion:** REP. PETERSON stated this was a painful motion but cuts need to be made somewhere. The committee has discussed at length the need to cut spending but has not acted on it. He would hope the money could be found later in the session. He has compared public university tuition costs and student indebtedness with Montana private universities and found the private costs exceed the public significantly.

*{Tape : 1; Side : B; Approx. Time Counter : 0}*

REP. BUZZAS spoke to the motion stating money has been fed into the loan portion of funding. If funds are cut in the loan portions and tuition increased due to lack of funding in state supported areas, students will be priced out of public higher education.

**Substitute Motion:** REP. BUZZAS made a substitute motion that DP 201 - INCREASE STATE SUPPORTED FINANCIAL BE ADOPTED.

**Discussion:** There was discussion regarding the proper parliamentary procedure to make these motions and on the motion to eliminate the \$1,000,000 in financial aid funds in general.

SEN. JOHNSON reiterated the fact that the dental hygiene program and speech pathologists programs are becoming a serious matter in regards to shortages of graduates for those areas.

*{Tape : 1; Side : B; Approx. Time Counter : 80}*

CHAIRMAN WITT ruled the motions were in order and the committee could proceed. SEN. MILLER stated the question is not if these are important issues but rather that the committee is painfully charged with a job to trim the budget to meet an ending fund balance. REP. BUZZAS reminded the committee if they are to support education, the priorities need to be set and to think about the message being sent by the committee's actions.

*{Tape : 1; Side : B; Approx. Time Counter : 112}*

**Substitute Motion/Vote:** REP. BUZZAS made a substitute motion that DP 201 - INCREASE STATE SUPPORTED FINANCIAL BE ADOPTED. Motion failed 3-3 with Buzzas, Jergeson and Johnson voting aye. Roll call vote.

**Motion:** REP. PETERSON moved that DP 201 - INCREASE STATE SUPPORTED FINANCIAL BE TABLED.

**Discussion:** This new proposal DP 201 is supported by the Governor's Office. There was discussion why it would be necessary to table DP 201 since the substitute motion to fund the \$1,000,000 had been voted down. **SEN. JERGESON** reminded the committee their recommendations go through several other processes before the final result is obtained.

**Motion/Vote:** **REP. PETERSON** moved that **DP-201 INCREASE STATE SUPPORT FINANCIAL BE TABLED. Motion failed 3-3 with Buzzas, Jergeson, and Johnson voting aye.** Roll call vote.

**Motion:** **REP. BUZZAS** moved that **DP 202 - ADDITIONAL VETERINARY MEDICINE SLOT BE ADOPTED.**

**Discussion:** **Ms. Joehler** stated the additional veterinary medicine slot has been removed from the Martz Budget. **REP. BUZZAS** was concerned if by cutting the slot, it would be cutting a currently enrolled student. **Mr. Bruno** asked for clarification from the OCHE. **Commissioner Crofts** explained ten students were funded in FY 01; therefore, \$21,700 for the first half of the first year is for a student who is currently in the system. If not funded, they would need to reallocate from other sources to fund that student. The other half of the first year and two-thirds of the second year is for a new slot each year to put the number at ten.

**Substitute Motion:** **SEN. JOHNSON** made a substitute motion that **DP 202 - ADDITIONAL VETERINARY SLOT BE FUNDED AT \$21,700 THE FIRST YEAR AND \$43,400 THE SECOND YEAR IN THE BIENNIUM BE ADOPTED.**

**Discussion:** The committee discussed if this filled nine or ten slots. **Commissioner Crofts** stated it fills nine for FY01, and ten for FY02 and FY03. **CHAIRMAN WITT** asked for clarification as to whether or not all those slots are filled or if some are vacant. **Commissioner Crofts** stated there are candidates to fill the slots. **SEN. JOHNSON** amended his motion to read as follows to stay at nine slots all fiscal years.

**Substitute Motion/Vote:** **SEN. JOHNSON** made a substitute motion that **DP 202 - ADDITIONAL VETERINARY SLOT BE FUNDED AT \$21,700 THE FIRST YEAR AND \$21,700 THE SECOND YEAR IN THE BIENNIUM BE ADOPTED AS AMENDED.** Motion failed 3-3 with Witt, Miller, and Peterson voting no. Roll call vote.

*{Tape : 1; Side : B; Approx. Time Counter : 280}*

**Motion/Vote:** REP. BUZZAS moved that DP 202 - ADDITIONAL VETERINARY MEDICINE SLOT BE ADOPTED. Motion failed 3-3 with Buzzas, Jergeson and Johnson voting aye. Roll call vote.

**Motion:** SEN. JERGESON moved that DP 205 - TARGETED SCHOLARSHIP FOR TEACHERS BE ADOPTED.

**Discussion:** Ms. Joehler stated this proposal is not supported by the Governor's Office. This recommendation came out of the Teachers Salaries/Teachers Shortages Task Force. SEN. JERGESON supported this motion to enable new teachers graduating in Montana to stay in Montana and afford to repay their loans.

**Motion/Vote:** SEN. JERGESON moved that DP 205 - TARGETED SCHOLARSHIP FOR TEACHERS BE ADOPTED. Motion failed 2-4 with Buzzas and Jergeson voting aye. Roll call vote.

*{Tape : 1; Side : B; Approx. Time Counter : 350}*

**Program 03 - DDE Mathematics & Science Ed Act**

**Motion/Vote:** SEN. JERGESON moved that BASE AND STATEWIDE ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

**Motion/Vote:** SEN. JERGESON moved that DP 301 - INCREASE BASE ON FEDERAL GRAND AND CARRYOVER BE ADOPTED. Motion carried unanimously.

*{Tape : 1; Side : B; Approx. Time Counter : 380}*

**Program 04 - Montana University System Group Insurance**

Ms. Joehler explained the procedure on group insurances which is to set the rates. This language appears in HB 2 in the proprietary section. These were the new rates for FY 02 and 03.

**Motion/Vote:** SEN. JOHNSON moved that LANGUAGE ON PAGE E-97 OF THE LFD BUDGET ANALYSIS ENTITLED "FEE/RATE INFORMATION FOR LEGISLATIVE ACTION" BE ADOPTED. Motion carried unanimously.

*{Tape : 1; Side : B; Approx. Time Counter : 430}*

**Program 06 - Talent Search**

Ms. Joehler stated there are new proposals included in the Martz Budget adding 9 FTE on which the subcommittee has not heard any testimony. Ms. Amy Carlson, OBPP Representative, spoke about the Gear-Up Grant which has just started so was not in the base.

**Motion:** REP. BUZZAS moved that BASE AND VACANCY SAVINGS AND PRESENT LAW ADJUSTMENTS BE ADOPTED.

***{Tape : 2; Side : A; Approx. Time Counter : 5}***

**Discussion:** Explanation was given to the committee about the Gear-Up Federal Grant. It accounts for the bulk of the increase in the Talent Search Program. There are two major aspects to the program--a program of grants and scholarships, and eligible students as they go to the university system. The 7 FTE work with school districts around the state (23 middle schools and 22 high schools) about the educational opportunities available to them. REP. BUZZAS gave an example of how the program works. SEN. JOHNSON asked for further clarification on the staffing. Dr. Joyce Scott, Deputy Commissioner, OCHE, explained where the people worked and their duties. All FTE's work for the OCHE. It is a five-year grant which started in 1999. SEN. JOHNSON asked if they were planning for the future if the grant should run out. Dr. Scott stated they are laying plans and are raising foundation funds now for the college scholarship portion. SEN. JOHNSON also asked how the success of the program was being assessed. Dr. Scott responded the federal government asks for yearly reports. This is in Governor Martz's budget.

***{Tape : 2; Side : A; Approx. Time Counter : 125}***

**Motion/Vote:** REP. BUZZAS moved that BASE AND VACANCY SAVINGS AND PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously. Roll call vote.

REP. BUZZAS pointed out to the committee DP 601, 602, and 603 are all federal funds. SEN. MILLER asked if the FTE's were all in the same office. Mr. Bruno stated some of the FTE work in the field.

**Motion:** SEN. MILLER moved that DP 601 - GEAR UP FEDERAL GRANT REDUCING THE 7 FTE TO 3 FTE IN PROGRAM BE ADOPTED.

**Discussion:** Dr. Scott stated they are committed to field personnel and to using the funds in that area. She explained the need for the additional FTE. The grant was awarded on the basis of a staffing plan that places people in the field at each of the schools.

***{Tape : 2; Side : A; Approx. Time Counter : 210}***

**Substitute Motion/Vote:** REP. BUZZAS made a substitute motion that DP 601- GEAR UP FEDERAL GRANT AS IS BE ADOPTED. Substitute motion carried 4-2 with Miller and Witt voting no. Roll call vote.

**Motion/Vote:** REP. BUZZAS moved that DP 602-ACADEMIC SPECIALIST - TALENT SEARCH, DP 603-INCREASE BASED ON PROJECTED FEDERAL AUTHORITY BE ADOPTED. Motion carried unanimously. Roll call vote.

*{Tape : 2; Side : A; Approx. Time Counter : 240}*

**Program 08 - Carl D. Perkins Administration**

**Motion:** SEN. JOHNSON moved that BASE BUDGET, STATEWIDE PRESENT LAW ADJUSTMENTS, MARTZ RECOMMENDED VACANCY SAVINGS AND DP 699 BE ADOPTED.

**Substitute Motion/Vote:** SEN. MILLER made a substitute motion that ADOPT BASE BUDGET, STATEWIDE PRESENT LAW ADJUSTMENTS, MARTZ RECOMMENDED VACANCY SAVINGS, DP 802-ADJUSTMENT BASED ON PROJECTED LEVEL OF FEDERAL GRANT BE ADOPTED. Substitute motion carried 5-1 with Buzzas voting no. Roll call vote.

REP. BUZZAS spoke against vacancy savings. She said it had no benefit in this program.

**Motion/Vote:** SEN. JERGESON moved that DP 801-CARL PERKINS-PROGRAM SPECIAL POSITION BE ADOPTED. Motion carried unanimously. Roll call vote.

*{Tape : 2; Side : A; Approx. Time Counter : 375}*

The committee moved past Program 09 - The Appropriation Distribution Program to act on at a later time.

**Program 11 - Tribal College Assistance Program**

Ms. Joehler stated Governor Racicot's budget included \$417,000 per year and Governor Martz removed it from her budget.

**Motion:** SEN. JERGESON moved that DP 916-NON-BENEFICIARY STUDENTS AT TRIBAL COLLEGES BE ADOPTED.

**Discussion:** This was approved by the legislature in 1995. In 1997 the legislature did not appropriate any state funds for this. In the last session, it was determined to meet what had been established as a statutory commitment in 1997; therefore, Senate Finance Claims took action to fund it as had been

committed to do in 1997. It was as a one-time-only appropriation. **SEN. JERGESON** felt it was an inappropriate one-time-only and should be considered part of the base since commitments had been made previously. **REP. BUZZAS** agreed especially after having heard in public testimony the sacrifices the Indian students have made in completing their college education. **Ms. Carlson** stated it was deleted in the Martz Budget simply as a hard choice in making responsible decisions to meet the budget.

*{Tape : 2; Side : B; Approx. Time Counter : 0}*

**Motion/Vote:** **SEN. JERGESON** moved that **DP 916-NON-BENEFICIARY STUDENTS AT TRIBAL COLLEGES BE ADOPTED**. Motion failed 4-2 with **Buzzas** and **Jergeson** voting aye. Roll call vote.

*{Tape : 2; Side : B; Approx. Time Counter : 10}*

#### **Program 12 - Guaranteed Student Loan Program**

**Ms. Joehler** stated there is no general fund in the Guaranteed Student Loan Program (GSL) as they operate from revenues earned in the program, but vacancy savings is applied.

**Motion/Vote:** **SEN. JOHNSON** moved that **BASE BUDGET, PRESENT LAW ADJUSTMENTS, DP 1203-GSL-INCREASE SERVICE FEES, AND DP 1208-GSL-OVERTIME PAY BE ADOPTED**. Motion carried unanimously.

**SEN. JOHNSON** commented with the delinquency rates on the increase this program needs to be monitored very closely. **SEN. MILLER** stated the overtime pay needs to be examined. **SEN. JOHNSON** added that overtime pay does not go into the base.

**Motion:** **SEN. JERGESON** moved that **DP 1201-GSL-ADDITIONAL FTE BE ADOPTED**.

**Discussion:** **SEN. JOHNSON** asked if the overtime had been justified and if it was in the Governor's budget. **Ms. Carlson** stated it is federal special funds. **Ms. Arleen Henawalt, Director of MUS Student Loan Program, OCHE,** added the request for additional FTE is to avoid the overtime costs. In order to get the default rates down, staff is necessary for outreach and counseling. She also spoke to DP 1204, 1205, and 1206.

**Motion/Vote:** **SEN. JERGESON** moved that **DP 1201-GSL-ADDITIONAL FTE BE ADOPTED**. Motion carried unanimously. Roll call vote.

**Motion:** SEN. JOHNSON moved that DP 1204-GSL CHANGE IN ACCOUNTING BE ADOPTED.

**Substitute Motion/Vote:** SEN. MILLER made a substitute motion DP 1204-GSL CHANGE IN ACCOUNTING, DP 1205-GSL-DEFAULT RESOLUTION FUNDS, DP 1206-GSL-SCHOLARSHIP/ GRANT PROGRAM BE ADOPTED. Substitute motion carried unanimously. Roll call vote.

*{Tape : 2; Side : B; Approx. Time Counter : 118}*

**Program 13 - Board of Regents**

Ms. Joehler explained the Board of Regents requests.

**Motion/Vote:** SEN. JERGESON moved that BASE PLUS PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously. Roll call vote.

*{Tape : 2; Side : B; Approx. Time Counter : 140}*

**Program 09 - Appropriation Distribution  
Montana University System Education Units**

Ms. Joehler referenced beginning on page E-113 in the LFD budget analysis book. She distributed a memo regarding increases for water/sewer and garbage services for Bozeman, Great Falls, and Havre which failed to be included in the Governor's Budget due to a mis-communication, and they would like to have it considered during this executive action. She also distributed a worksheet.

**EXHIBIT(jeh31a01)** and **EXHIBIT(jeh31a02)**

Mr. Bruno asked for it to be considered in the big package although they cannot officially support it. SEN. JERGESEN asked if other campuses had requested increases and if they had been approved. Mr. Bruno stated they had. The electrical and gas increases are being considered globally; however, the water/sewer and garbage had been inadvertently omitted. There was further discussion on this issue as it is a valid request which arrived late and cannot be avoided. REP. PETERSON asked about the Billings campus since it is so large. Ms. Teri Iverson, Administrative Vice-Chancellor, Billings, asked the city regarding increases but got no response. She felt it might be in the 4% increase being put on all utilities.

*{Tape : 2; Side : B; Approx. Time Counter : 350}*

**Motion/Vote:** SEN. JERGESON moved that THE BASE BUDGET PLUS DP 900-STATEWIDE PRESENT LAW ADJUSTMENTS AND DP 699-VACANCY SAVINGS BE ADOPTED. Motion carried unanimously. Roll call vote.

**Motion:** REP. PETERSON moved that DP 904-WATER, SEWER & GARBAGE RATE INCREASES INCLUDING THE REQUESTS IN THE MEMO FOR BOZEMAN, GREAT FALLS, AND HAVRE BE ADOPTED.

**Substitute Motion:** SEN. MILLER made a substitute motion that DP 904 AS IS WITHOUT THE ADDITIONAL REQUESTS FROM BOZEMAN, HAVRE, AND GREAT FALLS BE ADOPTED.

**Discussion:** REP. BUZZAS felt she could not support SEN. MILLER's motion since all the campuses should start out on the same line in the interest of fairness and SEN. JERGESON'S original motion would be more fair.

**Substitute Motion/Vote:** SEN. MILLER made a substitute motion that DP 904 AS IS WITHOUT THE ADDITIONAL REQUESTS FROM BOZEMAN, HAVRE, AND GREAT FALLS BE ADOPTED. Motion carried 4-2 with Buzzas and Jergeson voting no. Roll call vote.

**Motion/Vote:** SEN. JERGESON moved that ADDITIONAL REQUESTS FOR WATER/SEWER & GARBAGE FOR BOZEMAN, GREAT FALLS, AND HAVRE CAMPUSES AS PRESENTED TO THE COMMITTEE BE ADOPTED. Motion failed 2-4 with Buzzas and Jergeson voting aye. Roll call vote.

**Motion/Vote:** REP. PETERSON moved that DP 907 RESIDENT ENROLLMENT MARGINAL COST INCREASE BE ADOPTED. Motion carried unanimously. Roll call vote.

**Motion:** SEN. JOHNSON moved that DP 909 RESIDENT FEE WAIVER INCREASE DUE TO ENROLLMENT GROWTH BE ADOPTED.

**Discussion:** REP. PETERSON asked for further explanation. SEN. MILLER pointed out there are two requests for enrollment fee waiver increases-DP 909 due to enrollment growth and DP 910 due to tuition rate increases.

*{Tape : 3; Side : A; Approx. Time Counter : 0}*

**Motion/Vote:** SEN. MILLER moved that DP 909-RESIDENT FEE WAIVER INCREASE DUE TO ENROLLMENT GROWTH, DP-912 ADJUST UM FOR GF TRANSFER FROM FY 01 TO FY 00, DP-913 BOZEMAN SIDEWALKS AND RAY BJORK LEASE, DP- 914 STABLE FUNDING FOR NATURAL RESOURCE INFORMATION SYSTEM, DP- 915 OPERATION AND MAINTENANCE FOR NEW BUILDINGS, DP 917-ANNUALIZE COST OF FAMILY PRACTICE RESIDENCY, DP NEW 1-ACCOUNT FOR MOTORCYCLE SAFETY IN CUO, AND DP NEW 2-NON-

**RESIDENT ENROLLMENT MARGINAL COST REDUCTION BE ADOPTED. Motion carried unanimously. Roll call vote.**

**Motion/Vote: SEN. MILLER moved that OTHER ADJUSTMENTS AND SIX-MILL LEVY REVENUE DECREASE/GF REPLACEMENT BE ADOPTED. Motion carried unanimously. Roll call vote.**

***{Tape : 3; Side : A; Approx. Time Counter : 40}***

**Motion: REP. BUZZAS moved that NEW PROPOSAL INCREASE STATE SUPPORT \$100 PER RESIDENT STUDENT BE INCREASED TO \$500 PER RESIDENT STUDENT BE ADOPTED.**

**Discussion: REP. BUZZAS** stated she feels the whole answer to funding the University System is becoming the \$500 solution. She feels it is a legitimate number and appreciates **SEN. MILLER's** willingness to commit \$500 per student. However, she feels the next session will be too late to implement that and asked the committee to extend that amount now. It could be a one-time-only if desired. **SEN. MILLER** asked where the funds would come from this session. **REP. BUZZAS** felt the legislature should look to the revenues of the State.

**Substitute Motion: SEN. MILLER** made a substitute motion that **DP-901 AS IN THE MARTZ BUDGET OF \$100 PER STUDENT INCREASE BE ADOPTED.**

**Discussion: SEN. MILLER** stated he also felt a responsibility to the people of the State of Montana but did not see where the money can be found this session. **REP. BUZZAS** felt the people of Montana have told the legislators education is the highest priority along with economic development.

**Substitute Motion/Vote: SEN. MILLER** made a substitute motion that **DP-901 INCREASE STATE SUPPORT \$100 PER RESIDENT STUDENT AS IN THE MARTZ BUDGET BE ADOPTED. Substitute motion carried 4-2 with Buzzas and Jergeson voting no. Roll call vote.**

**Motion/Vote: SEN. JERGESON** moved that **DP 906 ACADEMIC DEVELOPMENT TECH PROGRAMS BE ADOPTED. Motion failed 2-4 with Buzzas and Jergeson voting aye. Roll call vote.**

**Motion: SEN. JERGESON** moved that **DP 910 RESIDENT FEE WAIVER INCREASE DUE TO TUITION RATE INCREASE BE ADOPTED.**

**Substitute Motion: SEN. MILLER** made a substitute motion that **DP 910 RESIDENT FEE WAIVER INCREASE DUE TO TUITION RATE INCREASE BE REDUCED TO HALF WHICH WOULD BE \$303,274 BE ADOPTED.**

**Discussion:** SEN. JERGESON stated many of those fee waivers are entitlements which have to be granted. SEN. MILLER's motion will cause increases to those who do not qualify for a fee waiver. SEN. MILLER asked for clarification from the OBPP and LFD that if in good years we pick this up and in tight years we do not. Ms. Carlson stated this DP splits the cost 50-50 state versus tuition on resident student share. Non-residents pay 100%. She concurred with SEN. MILLER. SEN. MILLER's motion would be going from 100% general fund last year to 0% general fund this year. SEN. MILLER stated his intention is to remove \$303,000 out of the lump. The Board of Regents could decide to fund it at any percent out of the remaining lump sum.

**Substitute Motion/Vote:** SEN. MILLER made a substitute motion that DP 910 RESIDENT FEE WAIVER INCREASE DUE TO TUITION RATE INCREASE BE REDUCED TO HALF WHICH WOULD BE \$303,274 BE ADOPTED. Substitute motion carried 4-2 with Buzzas and Jergeson voting no. Roll call vote.

*{Tape : 3; Side : A; Approx. Time Counter : 287}*

SEN. MILLER asked to add to his motion on DP 901 to be a one-time-only which was his original intent. SEN. JERGESON asked for a roll call vote on that.

**Motion:** SEN. MILLER moved TO AMEND DP-901 TO STATE ONE-TIME-ONLY BE ADOPTED.

**Discussion:** Ms. Carlson stated the Governor's Office intent is to be an on-going commitment to the University System and they need it in their base, and she would hope not to make it a one-time-only.

**Motion/Vote:** SEN. MILLER moved that AMEND DP-901 TO STATE ONE-TIME-ONLY BE ADOPTED. Motion carried 4-2 with Buzzas and Jergeson voting no. Roll call vote.

**Motion/Vote:** SEN. JERGESON moved that DP-919 BANNER ONGOING COSTS BE TAKEN FROM THE GENERAL FUND BE ADOPTED. Motion failed 2-4 with Buzzas and Jergeson voting aye. Roll call vote.

**Motion/Vote:** SEN. MILLER moved that DP-919 AS IS IN THE MARTZ BUDGET BE ADOPTED. Motion carried 4-2 with Buzzas and Jergeson voting no. Roll call vote.

*{Tape : 3; Side : A; Approx. Time Counter : 370}*

**ADJOURNMENT**

Adjournment: 11:30 A.M.

---

REP. JOHN WITT, Chairman

---

CAYENNA JOHNSON, Secretary

JW/CJ

**EXHIBIT** (jeh31aad)